EVERGREEN HEALTHCARE

Evergreen Healthcare Policy

Charity Care Program

Administrative Adm 160 (Rev: 5)**In preparation**

POLICY:

In recognition of the need of individuals with limited financial resources to obtain certain critical health care services, King County Public Hospital District No. 2, d/b/a Evergreen Healthcare (the "**District**") herewith adopts a Charity Care Program (the "**Program**") for Evergreen Hospital (the "**Hospital**"). Board of Commissioner Policy #2, titled "Uncompensated Care" and originally approved by the Board on September 28, 1982, is rescinded.

PURPOSE:

To provide, within reasonable limitations and the financial ability of the Hospital, critical services to patients who do not have sufficient financial resources to pay for services rendered or to be rendered. The Program provides for evaluation, consistent with the criteria stated below, of financial need of the patient or responsible party for the patient.

Criteria for Evaluation

Requests for charity care will be accepted from any source. Typically that will be physicians, community or religious groups, social services, financial services personnel, or the patient. If the hospital becomes aware of factors which might qualify the patient for charity care under this policy, it will advise the patient of this potential and make an initial determination.

1. The patient indicates and appropriately and adequately demonstrates an inability to pay for services rendered or to be rendered. For all purposes of this Policy and the Program, all references to "patient" shall include, as may be applicable, the responsible party for the patient. The Program recognizes, addresses, and is limited to the needs of patients who are "indigent persons" as defined by WAC 246-453-010(4), which may include those who need assistance with medical bills due to temporary or permanent disability or inability to work as a result of catastrophic illness or injury.

   In the event that there are limited charity care resources due to budgetary constraints, District residents may be granted priority consideration of charity care eligibility for non-emergency care only. Under no circumstances will the Hospital deny access to emergency care to any individuals based on an inability to pay and/or inability to qualify for charity care.
2. Pursuant to WAC 246-453-010(7), services covered under the Program shall include only appropriate hospital-based or participating physician practice medical services. "Appropriate hospital-based medical services" shall mean those hospital services which are reasonably calculated to diagnose, correct, cure, alleviate or prevent the worsening of conditions that endanger life, cause suffering or pain, result in illness or infirmity, threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, and there is no other equally effective more conservative or substantially less costly course of treatment available or suitable for the person requesting the service. For this purpose, "course of treatment" may include mere observation or, where appropriate, no treatment at all.
3. When a patient wishes to apply for charity care sponsorship in the Program, the Patient shall complete a Confidential Financial Statement ("**CFS**") and provide necessary and reasonable supplementary financial documentation to support the entries on the CFS. The application procedures shall not place an unreasonable burden upon the patient, taking into account any barriers which may hinder the patient's capability of complying with the application procedures. Screening for eligibility for DSHS will be coordinated through the Healthcare Access Program, Social Work Services Department (if not

nursing home placement) or through Business Services.

a. Any one of the following documents shall be considered sufficient evidence upon which to base the final determination of charity care sponsorship status: a "W-2" withholding statement; pay stubs; an income tax return from the most recently filed calendar year; forms approving or denying eligibility for Medicaid and/or state-funded medical assistance; forms approving or denying unemployment compensation; or written statements from employers or welfare agencies. In the event the Patient is not able to provide any of the documentation described above, the Hospital shall rely upon written and signed statements from the responsible party for making a final determination of eligibility for classification as an indigent person.

b. The Patient may also be asked to provide documentation of outstanding obligations and/or other financial resources (e.g., bank statements, loan documents). Evidence of excess resources will be considered only if the Patient is determined to be at or above 101% of the federal poverty standards.

4. Initial review of a patient's application and recommendation for approval of charity care sponsorship shall be the responsibility of appropriate hospital personnel, such as Healthcare Access Program, Patient Registration, Social Work, or Business Services department. Business Services representative(s) shall make the "initial determination of sponsorship status," which means an indication, pending verification, that the services provided by the Hospital may or may not be covered by third party sponsorship, or an indication from the patient, pending verification, that he or she may meet the criteria for designation as an indigent person qualifying for charity care. Charity care determinations will preferably be made during pre-admission contacts but will be accepted during admission or at any other time. If the patient is unable to provide supporting documentation, the hospital will rely upon a written and signed statement from the patient. If it is obvious to hospital staff that a patient meets the criteria as an indigent person meeting the above income guidelines, it is not necessary to establish the exact income level or require supporting documentation. Examples of this might include an unemployed, homeless individual or someone whose eligibility has already been determined by a Community Health Clinic. An initial determination of sponsorship shall precede collection efforts directed at the patient, provided the patient is cooperative with the Hospital's efforts to reach an initial determination of sponsorship status. During the Pendency, the Hospital may pursue reimbursement from any third-party coverage that may be available or identified to the Hospital.

5. A patient who has been initially determined to meet the criteria for Program sponsorship shall be provided with at least fourteen (14) days, or such time as the patient's medical condition may require, or such time as may be reasonably necessary, to secure and present documentation supporting status as an indigent person, in accordance with WAC 246-453-030, prior to receiving a final determination of Program eligibility. If the patient does not respond to the Hospital's reasonable requests for information and/or documentary evidence within fourteen (14) days (or such time as may be necessary considering the patient's medical condition), the District may deem the charity care application incomplete and pursue such collection activity as it deems necessary and appropriate.

6. In determining the status of a patient as an indigent person qualifying for charity care sponsorship in the Program, the Business Services Representative shall use the criteria set forth in RCW 70.170.060 and WAC 246-453-010 *et.seq.*, which includes a family income (as defined in WAC 246-453-010(17) which is equal to or below 200% of the published federal poverty standards, adjusted for family size, or is otherwise not sufficient to enable payment for the care or to pay deductibles or coinsurance amounts required by a third-party payer. In accordance with WAC 246-453-010(4), the patient must also have exhausted any third party payment sources, including (but not limited to) Medicare and Medicaid.

   a. Patients with family income equal to or below one hundred percent (100%) of the federal poverty standard, adjusted for family size, shall, pursuant to WAC 246-453-040(1), be determined to be indigent persons qualifying for charity sponsorship for the full amount of hospital charges related to appropriate hospital-based medical services that are not covered by private or public third-party sponsorship and provided that such patients are not eligible for other private or public health coverage sponsorship.

   b. Patients with family income between one hundred one and two hundred percent (101% - 200%) of the federal poverty standard, adjusted for family size, shall, pursuant to WAC 246-453-040 (2), be determined to be indigent persons qualifying for full or partial charity sponsorship, which allows for discounts from charges related to appropriate hospital-based medical services that are not covered by private or public third-party sponsorship, in accordance with the

Hospital's sliding fee schedule and policies regarding individual financial circumstances as set forth herein.

c. Pursuant to WAC 246-453-040(3), the Hospital may, in appropriate circumstances and in its sole discretion, classify a patient whose family income exceeds two hundred percent of the federal poverty standard, adjusted for family size, as an indigent person eligible for a discount from charges based upon the patient's individual financial circumstances.

d. Employment Standard - A patient and/or the account guarantor's employment status and future earning capacity will be evaluated. Patients may be qualified due to reduced future earning potential, even if past income exceeded standards. Alternatively, future earnings sufficient to meet the hospital obligation within a reasonable period (e.g., a patient's returning to work within 6 weeks after service) will also be taken into consideration.

7. When the patient is eligible for and meets the guidelines and requirements for charity care sponsorship in the Program, the Business Services Representative shall forward such recommendation to the Patient Business Services Manager for review. Within fourteen (14) days of receipt of all necessary information to make a final determination of Program eligibility, the Patient Business Services Manager or designee shall notify the patient of the final determination, including a determination of the amount for which the patient will be held financially accountable.
8. In the event of a recommendation of denial of an application for charity care sponsorship in the Program, the Business Services Representative shall forward such recommendation to the Patient Business Services Manager for review. The Business Services Manager will, after review of all relevant information, make a final determination of sponsorship status of the patient. The final determination shall be made within fourteen (14) days of receipt of all necessary information.
9. Appeals: Notification of denials will be written and include instructions for an appeal or reconsideration. The patient/guarantor may appeal the determination of eligibility for charity care by providing additional verification of income or family size to the Patient Accounting department within fourteen (14) days of receipt of notification. All appeals will be reviewed by the Business Services Administrative Management Team and the CFO or equivalent designee. If this determination affirms the previous denial of charity care, written notification will be sent to the patient/guarantor and the Department of Health in accordance with state law.
10. The failure of a patient to reasonably complete appropriate application procedures shall be sufficient grounds for the District to initiate collection efforts directed at the patient. Approval for charity care sponsorship will apply to the injury/illness currently being treated and extend to any other District or Hospital services that have been provided within a thirty (30) day period of time during which the patient qualifies for charity sponsorship in accordance with the Program.

MEDICAL STAFF AND ALLIED HEALTH PROFESSIONALS

Except as provided within this policy, Medical Staff members (and Allied Health Professionals) not employed by the Hospital are encouraged but not obligated to provide charity care in accordance with this Policy, and they may grant full or partial fee waivers in their discretion. An exception is for patients who, through the District, complete an application and are approved for DSHS assistance. Such patients will be notified of DSHS approval and that any "spend down amount" applied by DSHS to a patient's financial responsibility for Hospital charges will be written off as a charity care adjustment.

Referenced Documents

Reference Type	Title	Notes
Documents referenced by this document		
Referenced Documents	Federal Poverty Guidelines	
Referenced Documents	Hospital's sliding fee schedule	
Documents which reference this document		
Referenced Documents	Package Pricing and Self-Pay Discount Policy	

Created 05/31/2007 **Document Owner** Field, Marcia

Schedule A

Evergreen Healthcare

2007 – Poverty Guidelines

From the Federal Register dated January 24, 2007 are the 2007 Federal Poverty Guidelines for all states except Alaska and Hawaii and the District of Columbia:

Size of Family	Federal Poverty Monthly Guideline	Federal Poverty Yearly Guideline	Charity Write Off	EH/Federal Poverty Monthly Guidelines (200%)	EH/Federal Poverty Yearly Guidelines (200%)	Charity Write Off (Sliding Scale)	EH/Federal Monthly (300%)	EH/Federal Yearly (300%)	Charity Write Off (Sliding Scale)
1	$850.83	$10,210	100%	$1,701.66	$20,420	40%	$2,552.49	$30,630	20%
2	$1,140.83	$13,690	100%	$2,281.66	$27,380	40%	$3,422.49	$41,070	20%
3	$1,430.83	$17,170	100%	$2,861.66	$34,340	40%	$4,292.49	$51,510	20%
4	$1,720.83	$20,650	100%	$3,441.66	$41,300	40%	$5,162.49	$61,950	20%
5	$2,010.83	$24,130	100%	$4,021.66	$48,260	40%	$6,032.49	$72,390	20%
6	$2,300.83	$27,610	100%	$4,601.66	$55,220	40%	$6,902.49	$82,830	20%
7	$2,590.83	$31,090	100%	$5,181.66	$62,180	40%	$7,772.49	$93,270	20%
8	$2,880.83	$34,570	100%	$5,761.66	$69,140	40%	$8,642.49	$103,710	20%

For family units with more than 8 members, add $3,480 for each additional member.

These guidelines go into effect on the day they are published, January 24, 2007, with the exception of Hill Burton hospitals, which are effective sixty days from the date of publication. Please contact Ric Ordos, Office of Hospital & Patient Data, at (360) 236-4216, if you have any questions.

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